

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re: Samuel N. Zellner

Serial No.: 09/608,184

Filed: June 30, 2000

For: SYSTEM AND METHOD FOR MONITORING COMMERCIAL TRANSACTION

Confirmation No.: 9720

Examiner: Christopher J. Brown

Group Art Unit: 2134

September 20, 2006

Mail Stop Appeal Brief-Patents

Commissioner for Patents

P.O. Box 1450

Alexandria, VA 22313-1450

**TRANSMITTAL OF APPEAL BRIEF
(PATENT APPLICATION--37 C.F.R. § 41.37)**

1. Transmitted herewith is the APPEAL BRIEF for the above-identified application, pursuant to the "Notice of Appeal to the Board of Patent Appeals and Interferences" mailed June 28, 2006 and responsive to the "Notice of Panel Decision from Pre-Appeal Brief Review" mailed August 21, 2006.

2. This application is filed on behalf of

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3. Pursuant to 37 C.F.R. § 41.20(b)(2), the fee for filing the Appeal Brief is:

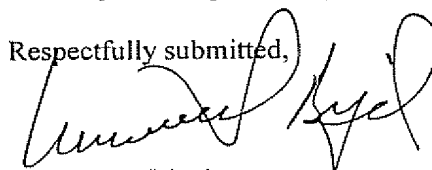
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Respectfully submitted,



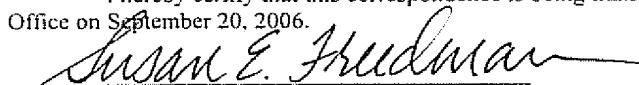
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**CERTIFICATION OF ELECTRONIC TRANSMISSION
UNDER 37 CFR § 1.8**

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Susan E. Freedman

Date of Signature: September 20, 2006

Attorney's Docket No. 9400-204 (99224)

PATENT

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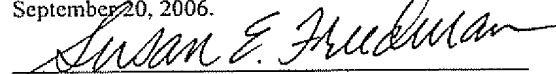
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Susan E. Freedman

Date of Signature: September 20, 2006

APPELLANT'S BRIEF ON APPEAL UNDER 37 C.F.R. §41.37

Sir:

This Appeal Brief is filed pursuant to the "Notice of Appeal to the Board of Patent Appeals and Interferences" mailed June 28, 2006 and responsive to the "Notice of Panel Decision from Pre-Appeal Brief Review" mailed August 21, 2006.

Real Party In Interest

The real party in interest is assignee BellSouth Intellectual Property Corporation.

Related Appeals and Interferences

Appellant is aware of no appeals or interferences that would be affected by the present appeal.

Status of Claims

Claims 1-55 have been canceled and Claims 56-65 have been finally rejected. Appellant appeals the final rejection of Claims 56-65, which as of the filing date of this Brief, remain under consideration. The attached Appendix A presents the claims at issue as finally rejected in the Final Office Action of May 11, 2006 (hereinafter "Final Office Action").

Status of Amendments

The attached Appendix A presents the pending claims and their corresponding status. All amendments in the present case have been entered. No amendment has been filed after the Final Office Action.

Summary of the Claimed Subject Matter

The present application includes independent Claims 56, 60 and 62. Each of these independent claims recites a commercial transaction processing center that comprises an authorization system and a monitoring system. The authorization system is the same in all three independent claims. The monitoring system also is the same, except for a recitation at the end of each claim.

In particular, as recited in each of the independent claims, the authorization system:

...is configured to receive a request to authorize the commercial transaction, to determine whether or not the commercial transaction is authorized and to send an authorization indicator to indicate whether or not the transaction is authorized;....

Support for this authorization system may be found, for example, at Page 9, line 11-
Page 10, line 6 of the specification:

When a customer attempts to make a purchase using a credit card, credit card reader 205 obtains data from the credit card and sends it to a computer 207 located in a processing center 206 associated with the credit card provider. Computer 207 can be any computer capable of carrying out the processing described in the present specification. Such computers are well-known to those skilled in the art and need not be described further. The data sent to computer 207 typically includes merchant identification data, the amount of the transaction, the credit card number and date and

time of the transaction. Computer 207 uses the data to determine whether it should authorize the transaction. For example, computer 207 uses the credit card number and transaction amount to perform a database lookup in a database 208 to determine whether the transaction exceeds the credit limit of the credit card. If the transaction is to be authorized (*i.e.*, the credit limit has not been exceeded), computer 207 appropriately records the transaction, for example, debits the credit card account by the amount of the transaction, and transmits a reference number and authorization code to point of sale device 204. The reference number is a number that is used to identify the particular credit card transaction. The authorization code advises merchant 202 that the transaction has been authorized and the sale can be completed.

The monitoring system of Claim 56 recites:

a monitoring system that is configured to send a notification message of the commercial transaction to a payer of the commercial transaction substantially simultaneously with the sending of the authorization indicator by the authorization system, the notification message including therein a help communication address for assistance with the commercial transaction.

Support for this recitation may be found, for example, at Page 10, lines 7-12 of the present application:

According to a preferred embodiment of the present invention, database 208 also contains data indicting whether payer of the credit card subscribes to a monitoring service. If the payer subscribes to the monitoring service, then, substantially simultaneously with sending the reference number and authorization code to point of sale device 204, processing center 206 notifies the payer that the transaction is taking place.

Further support may be found, for example, at Page 11, lines 8-17 of the specification:

After receiving the notification address from database 210, computer 207 sends a notification message to the payer to notify the payer that the transaction is occurring. In the preferred embodiment of the present invention, the notification message includes the following information: the merchant name (or merchant ID number), merchant address, amount of the transaction, data and time of the transaction, name on credit card, help number (to report criminal activity, *e.g.*, phone number of credit card company), whether the transaction was authorized or denied, and the reference number of the transaction. The information in the notification message is similar to the information that the payer receives in the periodic statement of transactions.

Independent Claim 60 recites an authorization system as was recited in Claim 56, and recites that the monitoring system provides a notification message that includes therein:

...a communication address for reporting criminal activity that is related to the commercial transaction.

Support for these recitations is provided, for example, at Page 10, lines 7-12 and Page 11, lines 8-17 of the specification, as was described above in connection with Claim 56. Examples of communication addresses for reporting criminal activity may include police, Better Business Bureau (BBB), fraud prevention bureau and/or other fraud monitoring agencies known to those having skill in the art.

Independent Claim 62 recites an authorization system as was recited in Claims 56 and 60, and recites that the monitoring system provides a notification message that includes therein:

...identifying information related to the commercial transaction, and other information that may be desired by the payer that is independent of the commercial transaction.

Support for these recitations may be found, for example, at Page 10, lines 7-12 and Page 11, lines 8-17 of the specification, as was described above in connection with Claim 56. Examples of such other information that may be desired by the payer may include advertising information, information on other offers that are being provided by a credit card company, and/or any other transaction-independent information known to those having skill in the art.

Dependent Claims 57, 58, 59 and 61 combine the recitations of the independent claims and are supported as was described above for the independent claims.

Grounds of Rejection To Be Reviewed on Appeal

All of the pending independent Claims 56, 60 and 62 stand rejected under 35 USC §103(a) as being unpatentable over U.S. Patent 5,708,422 to Blonder et al. in view of U.S. Patent 6,047,268 to Bartoli et al. Pending dependent Claims 57, 58, 59 and 61 also stand rejected under 35 USC §103(a) as being unpatentable over U.S. Patent 5,708,422 to Blonder et al. in view of U.S. Patent 6,047,268 to Bartoli et al.

Argument

I. Claims 56-65 Are Patentable Over Blonder et al. In View of Bartoli et al.

As noted above, pending Claims 56-65 stand rejected under 35 USC §103(a) as being unpatentable over Blonder et al. in view of Bartoli et al.

A. Introduction to 35 USC §103 Analysis

A determination under §103 that an invention would have been obvious to someone of ordinary skill in the art is a conclusion of law based on fact. *Panduit Corp. v. Dennison Mfg. Co.* 810 F.2d 1593, 1 U.S.P.Q.2d 1593 (Fed. Cir. 1987), *cert. denied*, 107 S.Ct. 2187. After the involved facts are determined, the decision maker must then make the legal determination of whether the claimed invention as a whole would have been obvious to a person having ordinary skill in the art at the time the invention was unknown, and just before it was made. *Id.* at 1596. The United States Patent and Trademark Office (USPTO) has the initial burden under §103 to establish a *prima facie* case of obviousness. *In re Fine*, 837 F.2d 1071, 5 U.S.P.Q.2d 1596, 1598 (Fed. Cir. 1988).

To establish a *prima facie* case of obviousness, the prior art reference or references when combined must teach or suggest *all* the recitations of the claims, and there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings. M.P.E.P. §2143. The mere fact that references can be combined or modified does not render the resultant combination obvious unless the prior art also suggests the desirability of the combination. M.P.E.P. §2143.01, citing *In re Mills*, 916 F.2d 680, 16 U.S.P.Q.2d 1430 (Fed. Cir. 1990). As emphasized by the Court of Appeals for the Federal Circuit, to support combining references, evidence of a suggestion, teaching, or motivation to combine must be **clear and particular**, and this requirement for clear and particular evidence is not met by broad and conclusory statements about the teachings of references. *In re Dembiczak*, 50 U.S.P.Q.2d 1614, 1617 (Fed. Cir. 1999). In another decision, the Court of Appeals for the Federal Circuit has stated that, to support combining or modifying references, there must be **particular** evidence from the prior art as to the reason the skilled artisan, with no knowledge of the claimed invention, would have

selected these components for combination in the manner claimed. *In re Kotzab*, 55 U.S.P.Q.2d 1313, 1317 (Fed. Cir. 2000).

B. Independent Claims 56, 60 and 62 Are Patentable Over Blonder et al. In View of Bartoli et al.

Independent Claims 56, 60 and 62 all relate to a "commercial transaction processing center", which may be used, for example, to process credit card transactions. Each of these claims recites that the transaction processing center includes two systems: an authorization system and a monitoring system. The authorization system is configured to receive a request to authorize the commercial transaction, to determine whether or not the commercial transaction is authorized, and to send an authorization indicator to indicate whether or not the transaction is authorized. For example, accepting or denying a credit card charge request may be performed by the authorization system. The monitoring system, on the other hand, is configured to send a notification message of the commercial transaction to a payer of the commercial transaction substantially simultaneously with the sending of the authorization indicator by the authorization system. This notification message is sent whether or not the transaction is authorized. Thus, the monitoring system sends a notification message to the person who will be ultimately responsible for payment of the credit card bill, whether or not the transaction is authorized. The authorization system has already determined whether or not the transaction is authorized, and has sent an authorization indicator, but the monitoring system substantially simultaneously sends its own message to the person who is responsible for paying the credit card bill.

Claims 56, 60 and 62 elaborate on different aspects of the notification message that is sent by the monitoring system. In particular, Claim 56 states "the notification message including therein a help communication address for assistance with the commercial transaction". Claim 60 recites "the notification message including therein a communication address for reporting criminal activity that is related to the commercial transaction". Finally, Claim 62 recites "the notification message including therein identifying information related to the commercial transaction, and other information that may be desired by the payer that is independent of the

commercial transaction". Thus, Claims 56, 60 and 62 have recognized that it may be beneficial to include various pieces of information in a notification message that is separate and apart from the credit card authorization system and its authorization indicator.

The primary reference Blonder et al. sets forth an elaborate system for both authorization and monitoring (referred to in Blonder et al. as "alerts"), including eight pages of detailed flowcharts. As part of monitoring, Blonder et al. describes in great detail messages that are sent to a card owner's pager as part of a monitoring process. In particular, Figure 4 of Blonder clearly illustrates that the message provides the cardholder's name 401, the credit card 402 and a field from Table 5 403. Figure 5 of Blonder illustrates three different fields: field 501 "CHARGING LIMIT EXCEEDED BY \$XXX.XX," field 502 "WAS USED FOR XX TRANSACTIONS WITHIN 24 HOURS" and field 503 "WAS USED AT XXXX." Accordingly, Blonder is quite explicit as to what is displayed on the pager. What is not displayed on Blonder's pager is "a help communication address for assistance with a commercial transaction" as recited in Claim 56. What is also not displayed on Blonder et al.'s pager is a "communication address for reporting criminal activity that is related to the commercial transaction", as recited in Claim 60. Finally, what is also not displayed on Blonder et al.'s pager is "other information that may be desired by the payer that is independent of the commercial transaction", as recited in Claim 62.

In an unsuccessful attempt to supply the missing teachings, the Final Office Action cited Bartoli et al. However, Bartoli et al. relates solely to an authorization system that allows transactions to be accomplished over the Internet utilizing a cookie. Bartoli et al. notes at Column 7, lines 28-32:

If authorization is denied, a message is displayed on the user's browser indicating that the purchase cannot be authorized and inviting the user to contact a customer assistance representative at a specified phone number. (Emphasis added.)

Similarly, Bartoli et al. Column 8, lines 52-54 state:

If not, at step B207, a message is sent back to the client terminal to inform the user at step C205 that they have not been authenticated and to call a customer assistance number. (Emphasis added.)

Bartoli et al. does not relate to a monitoring (alert) system that sends a notification message whether or not the transaction is authorized.

There is no motivation to combine Blonder et al. and Bartoli et al., because Blonder et al. provides eight pages of detailed flowcharts as to how authorization and monitoring take place. The only motivation to add features to Blonder et al. is by reading Claims 56, 60 and 62. Moreover, even if combined, Bartoli et al. would add a communication address to Blonder et al.'s authorization system, but would not change Blonder et al.'s monitoring (alert) system. Stated differently, if aspects of Bartoli et al. were to be added to Blonder et al., these aspects would be added to Blonder et al.'s authorization system because Bartoli et al. only deals with authorization. Accordingly, even if there was some motivation to combine Bartoli et al. with Blonder et al., absent the hindsight provided by reading Appellant's claims, the combination simply would not describe or suggest the above-quoted recitations of the monitoring system of Claim 56, which provides a notification message including therein a help communication address. Moreover, the "notification message including therein a communication address for reporting criminal activity" of Claim 60 and the "notification message including...other information that may be desired by the payer that is independent of the commercial transaction" are not even described in Bartoli et al., so that, even if combined with Blonder et al., these recitations simply would not be described or suggested.

Appellant would also like to briefly analyze the logic of the final rejection of Claims 56-65, found at Page 5 of the Final Office Action. At the top of Page 5, the Final Office Action agrees that "Blonder does not explicitly teach sending a contact help number with the page or message". However, the Final Office Action predicates obviousness based upon the following logic:

It would have been obvious to one of ordinary skill in the art to combine the customer assistance phone number with the notification message of Blonder because a customer receiving the message by page would need to know where to call.

In response, Appellant notes that if Blonder et al. was combined with Bartoli et al., a customer assistance number would be provided in an authorization message because Bartoli et al. deals only with authorization. Moreover, the logic of "because a customer receiving the message by page would need to know where to call" would not necessarily apply to a notification message, where a transaction is already denied or approved. Indeed, if the customer is a thief or other unauthorized user, it may not be

desirable to send a message to the customer. Only Claim 56 teaches that it may be desirable to send a notification message to the payer of the commercial transaction, which includes a help communication address. Stated differently, the Final Office Action's above-quoted conclusion of obviousness is clearly predicated upon the hindsight provided by reading Claim 56.

As to Claim 57, the Final Office Action's analysis states, at the bottom of Page 5:

As per claim 57, the Blonder-Bartoli combination teaches a customer assistance phone number which may be used to report criminal activity (Bartoli Col 7 lines 28-34).

However, to the extent Bartoli et al. teaches a customer assistance phone number which may be used to report criminal activity, this teaching is made as part of a transaction authorization process, and not as part of transaction monitoring.

Finally, at the bottom of Page 5, the Final Office Action asserts that Blonder et al. teaches at Figure 5, **502**, a message containing information independent of the commercial transaction. However, Figure 5, **502**, is a message that the credit card "WAS USED FOR XX TRANSACTIONS WITHIN 24 HOURS" and Column 7, lines 49-53 of Blonder et al. state that:

Similarly, when validation of a card number for a transaction would cause the maximum number of transactions per day pre-selected by the card owner to be exceeded, the content of the transaction counter field is moved into field **506**. (Emphasis added.)

This passage clearly includes the transaction in question, so that it is not independent of the commercial transaction. Stated differently, this passage clearly aggregates the transaction in question with previous transactions, so that it is not independent of the commercial transaction in question, as recited in Claim 62.

In view of the above, the detailed analysis provided at Page 5 of the Final Office Action appears to be faulty.

C. Dependent Claims 57, 58, 59 and 61 Are Independently Patentable

Dependent Claims 57, 58, 59 and 61 are patentable at least by virtue of the patentability of the independent claims from which they depend. Moreover, many of these dependent claims are separately patentable. In particular, Appellant wishes to

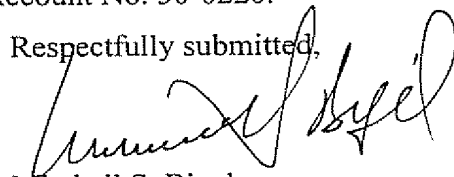
note that dependent Claim 57 combines the recitations of Claims 60 and 56, dependent Claim 58 combines the recitations of Claims 62 and 56, dependent Claim 59 combines the recitations of Claims 56, 60 and 62, and dependent Claim 61 combines the recitations of independent Claims 60 and 62. These dependent claims are independently patentable because the claimed combinations of information in the notification message are certainly not described or suggested by the cited references.

Conclusions

In summary, Appellant respectfully submits that the cited references do not establish a *prima facie* case of obviousness because all of the recitations of the independent claims would not be described even if the references are combined, and the rejection ignores the clear teachings of the references. Moreover, many of the dependent claims are also independently patentable. Accordingly, Appellant respectfully requests reversal of the rejections of the claims, allowance of the claims and passing of the application to issue.

It is not believed that an extension of time and/or additional fee(s) are required, beyond those that may otherwise be provided for in documents accompanying this paper. In the event, however, that an extension of time is necessary to allow consideration of this paper, such an extension is hereby petitioned for under 37 C.F.R. §1.136(a). Any additional fees believed to be due in connection with this paper may be charged to Deposit Account No. 50-0220.

Respectfully submitted,



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APPENDIX A – CLAIMS APPENDIX

56. A commercial transaction processing center comprising:

an authorization system that is configured to receive a request to authorize the commercial transaction, to determine whether or not the commercial transaction is authorized and to send an authorization indicator to indicate whether or not the transaction is authorized; and

a monitoring system that is configured to send a notification message of the commercial transaction to a payer of the commercial transaction substantially simultaneously with the sending of the authorization indicator by the authorization system, the notification message including therein a help communication address for assistance with the commercial transaction.

57. A commercial transaction processing center according to Claim 56 wherein the notification message also includes therein a communication address for reporting criminal activity that is related to the commercial transaction.

58. A commercial transaction processing center according to Claim 56 wherein the notification message also includes therein identifying information related to the commercial transaction, and other information that may be desired by the payer that is independent of the commercial transaction.

59. A commercial transaction processing center according to Claim 57 wherein the notification message also includes therein identifying information related to the commercial transaction, and other information that may be desired by the payer that is independent of the commercial transaction.

60. A commercial transaction processing center comprising:

an authorization system that is configured to receive a request to authorize the commercial transaction, to determine whether or not the commercial transaction is authorized and to send an authorization indicator to indicate whether or not the transaction is authorized; and

a monitoring system that is configured to send a notification message of the commercial transaction to a payer of the commercial transaction substantially simultaneously with the sending of the authorization indicator by the authorization system, the notification message including therein a communication address for reporting criminal activity that is related to the commercial transaction.

61. A commercial transaction processing center according to Claim 60 wherein the notification message also includes therein identifying information related to the commercial transaction, and other information that may be desired by the payer that is independent of the commercial transaction.

62. A commercial transaction processing center comprising:
an authorization system that is configured to receive a request to authorize the commercial transaction, to determine whether or not the commercial transaction is authorized and to send an authorization indicator to indicate whether or not the transaction is authorized; and

a monitoring system that is configured to send a notification message of the commercial transaction to a payer of the commercial transaction substantially simultaneously with the sending of the authorization indicator by the authorization system, the notification message including therein identifying information related to the commercial transaction, and other information that may be desired by the payer that is independent of the commercial transaction.

63. A commercial transaction processing center according to Claim 56 wherein the authorization indicator indicates that the transaction is authorized.

64. A commercial transaction processing center according to Claim 60 wherein the authorization indicator indicates that the transaction is authorized.

65. A commercial transaction processing center according to Claim 62 wherein the authorization indicator indicates that the transaction is authorized.

In re: Samuel N. Zellner
Serial No.: 09/608,184
Filed: June 30, 2000
Page 13 of 14

APPENDIX B – EVIDENCE APPENDIX
(NONE)

In re: Samuel N. Zellner
Serial No.: 09/608,184
Filed: June 30, 2000
Page 14 of 14

APPENDIX C – RELATED PROCEEDINGS
(NONE)